

Article 48A - Insurance Code
 Section 617 through 630 to be under the new subtitle "46.
 Risk Retention Act"
 Annotated Code of Maryland
 (1986 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 48A - Insurance Code

46. RISK RETENTION ACT

617.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) (1) "COMPLETED OPERATIONS LIABILITY" MEANS LIABILITY ARISING OUT OF THE INSTALLATION, MAINTENANCE, OR REPAIR OF ANY PRODUCT AT A SITE WHICH IS NOT OWNED OR CONTROLLED BY:

(I) ANY PERSON WHO PERFORMS THAT WORK; OR

(II) ANY PERSON WHO HIRES AN INDEPENDENT CONTRACTOR TO PERFORM THAT WORK.

(2) "COMPLETED OPERATIONS LIABILITY" INCLUDES LIABILITY FOR ACTIVITIES WHICH ARE COMPLETED OR ABANDONED BEFORE THE DATE OF THE ~~OC~~ OCCURRENCE GIVING RISE TO THE LIABILITY.

(C) "DOMICILE", FOR THE PURPOSE OF DETERMINING THE STATE IN WHICH A PURCHASING GROUP IS DOMICILED, MEANS:

(1) FOR A CORPORATION, THE STATE IN WHICH THE PURCHASING GROUP IS INCORPORATED; AND

(2) FOR AN UNINCORPORATED ENTITY, THE STATE OF ITS PRINCIPAL PLACE OF BUSINESS.

(D) "HAZARDOUS FINANCIAL CONDITION" MEANS THAT BASED UPON ITS PRESENT OR REASONABLY ANTICIPATED FINANCIAL CONDITION, A RISK RETENTION GROUP, ALTHOUGH NOT YET FINANCIALLY IMPAIRED OR INSOLVENT, IS UNLIKELY TO BE ABLE TO:

(1) MEET OBLIGATIONS TO POLICYHOLDERS WITH RESPECT TO KNOWN CLAIMS AND REASONABLY ANTICIPATED CLAIMS; OR

(2) PAY OTHER OBLIGATIONS IN THE NORMAL ~~COURTS~~ COURSE OF BUSINESS.